

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

*In the Matter of:*

Ripsey Post Office  
Ripsey, Iowa 50235

Docket No. A2012-56

**UNITED STATES POSTAL SERVICE  
COMMENTS REGARDING APPEAL**  
(December 29, 2011)

On October 20, 2011, the United States Postal Service ("Postal Service") posted its "Final Determination to Close the Ripsey, IA Post Office and Establish Service by Rural Route Service" ("Final Determination" or "FD"). Item No. 47.<sup>1</sup> In this docket, Ms. Mary Weaver ("Petitioner") appeals the Postal Service's Final Determination.<sup>2</sup> For the reasons set forth in these Comments, the Postal Service submits that it has complied with its statutory obligations under 39 U.S.C. § 404(d) as reflected in the Final Determination, and that its decision is in accordance with the law and is supported by substantial record evidence. Therefore, the Postal Service respectfully requests that the Postal Regulatory Commission ("Commission") affirm the Final Determination.<sup>3</sup>

**Background**

The Administrative Record ("AR") filed by the Postal Service today shows that Ripsey, Iowa (50235), is an incorporated community located in Greene County. Item

---

<sup>1</sup> In these Comments, specific items in the corrected Administrative Record filed by the Postal Service are referred to as "Item No. \_\_\_\_."

<sup>2</sup> Appeal Letter received November 4, 2011. Notice of Filing Under 39 U.S.C. § 404(d) (November 21, 2011).

<sup>3</sup> The procedural history to this appeal appears below the "Background" section.

No. 16, Community Survey Sheet, at 1; Item No. 33, Proposal to Close the Rippey, IA Post Office and Establish Service by Rural Route Service ("Proposal") at 12; FD at 12. Rippey is administered politically by the Mayor and City Counsel of Rippey. Item No. 16 at 1; Proposal at 12; FD at 12. Police protection is provided by the Geene County Sheriff and fire protection is provided by the city. Item No. 16 at 1; Proposal at 12; FD at 12. The community is comprised of retired people, farmers, self-employed persons, and those who commute to work at nearby communities and work in local businesses. Item No. 16 at 1; Proposal at 12; FD at 12. A 1.01 percent annual decline in the Community's population is projected. Item No. 16. The projected residential, commercial, and business growth rate is zero. Id.

The Rippey Post Office provides EAS-11 level service to 79 Post Office Box customers and 144 rural carrier delivery customers. Item No. 13, Administrative Postmaster/OIC Comments; Proposal at 2; FD at 2. The office provides window service from 7:00 a.m. to 12:00 p.m. and from 12:30 p.m. to 3:00 p.m., Monday through Friday, and from 8:00 a.m. to 11:00 a.m. on Saturday. Item No. 15, Post Office Survey Sheet, at 1; Item No. 18, Form 4920, Post Office Closing or Consolidation Proposal – Fact Sheet; Proposal at 2; FD at 2. The office provides 24-hour lobby access Monday through Saturday. Item No. 15 at 1; Item No. 18; Proposal at 2; FD at 2.

On average, there are approximately seventeen (17) retail window transactions at the Rippey Post Office per day and these transactions account for approximately nineteen (19) minutes of retail workload daily. Item No. 10, Window Transaction Survey; Proposal at 2; FD at 2. Revenue has generally been low and declining:

\$27,387.00 in FY 2008 (71 revenue units), \$29,433.00 in FY 2009 (77 revenue units), and \$22,717.00 in FY 2010 (59 revenue units). Item No. 18; Proposal at 2; FD at 2.

The Rippey Post Office has no permit mailers or postage meter customers. Item No. 13; Item No. 15 at 1; Item No. 18; Proposal at 2; FD at 2. The postmaster of the Rippey Post Office retired on September 3, 2003. Item No. 1; Proposal at 2; FD at 2. A temporary officer-in-charge (OIC) has been installed to operate the office. Proposal at 2; FD at 2.

Prior to the issuance of the Final Determination, the Postal Service followed the proper procedures and complied with all notice requirements.<sup>4</sup> In addition to the posting of the Proposal and FD, customers received notice of the potential change through other means. Questionnaires were distributed to customers of the Rippey Post Office. Item No. 20, Questionnaire Instruction Letter to Postmaster/OIC; Proposal at 2; FD at 2. A letter from the Manager of Post Office Operations, Cedar Rapids, Iowa, stating that the Postal Service was considering closing or consolidating the Rippey Post Office and proposing to provide service via rural route service, was also made available to Rippey customers. Item No. 21, Letter to Customer. The letter invited customers to complete and return a customer questionnaire and to express their opinions about the possible change. Id. The returned customer questionnaires and Postal Service response letters appear in the AR as Item No. 22. Representatives from the Postal Service were available for a community meeting at the Rippey Community Building on Wednesday, May 25, 2011, at 6 p.m. to answer questions and to provide information to customers.

---

<sup>4</sup> This discontinuance was conducted pursuant to Handbook PO-101, dated August 2004, and updated with Postal Bulletin revisions through August 2, 2007.

Item No. 24, Community Meeting Roster. Customers received formal notice of the Proposal and FD through postings at affected facilities. The Proposal was posted with an invitation for public comment at the Rippey Post Office. Item No. 32, Round-date Stamped Invitation for Comments; Proposal; Item No. 37, Notification of Taking Proposal and Comments Under Internal Consideration. The FD was posted at the Rippey Post Office in accordance with postal policy, as confirmed by the round-dated FD cover sheets that appear in the AR. Item No. 48, Letter of Instructions Regarding Posting of the Rippey Post Office Final Determination Docket No. 1372329 – 28102; Item No. 49, Round-date Stamped Final Determination Cover Sheets.

In light of the postmaster vacancy,<sup>5</sup> minimal workload,<sup>6</sup> low office revenue,<sup>7</sup> the existence of alternative delivery and retail options,<sup>8</sup> minimal impact upon the community and employees,<sup>9</sup> and the expected financial savings,<sup>10</sup> the Postal Service issued the Final Determination. Upon implementation of the Final Determination, delivery and retail services will be provided to CBUs or curbside mailboxes via rural route service under the administrative responsibility of the Grand Junction Post Office.<sup>11</sup> Item No. 21 at 1; Proposal at 2; FD at 2, 10, Concern No. 74; Memorandum to File. The Grand

---

<sup>5</sup> Item No. 1, Proposal at 2; FD at 2.

<sup>6</sup> Item No. 10, Proposal at 2; FD at 2.

<sup>7</sup> Item 18; Proposal at 2; FD at 2.

<sup>8</sup> Item 18; Proposal at 2; FD at 2.

<sup>9</sup> Proposal at 12-14; FD at 12-13.

<sup>10</sup> Item No. 29, Proposal Checklist, at 2; Proposal at 14; FD at 13.

<sup>11</sup> The Grand Junction Post Office does not appear on the list of Post Office candidates for the Retail Access Optimization Initiative. See PRC Docket No. N2011-1, USPS-LR-N2011-1/11 - RAO Initiative Candidate Facility Status Update.

Junction Post Office is located approximately eight (8) miles away from the Rippey Post Office. Item No. 1; Item No. 18; Proposal at 2; FD at 2. The Grand Junction Post Office is an EAS-13 level office that provides window service between 8:30 a.m. and 11:30 a.m. and between 1:00 p.m. and 4:15 p.m., Monday through Friday and between 8:30 a.m. and 9:45 a.m. on Saturday. Item No. 18; Proposal at 2; FD at 2. Its lobby is accessible 24 hours Monday through Saturday. Item 18 at 1. Seventy (70) Post Office Boxes are available at the Grand Junction Post Office and fees are the same. Item No. 15 at 2; Item No. 18 at 1; Proposal at 2; FD at 2. Additionally, the Postal Service will provide Cluster Box Units (CBUs) to the Rippey community. FD at 3-11, Concern Response Nos. 4, 17, 30, 39, 50, 55, 67, 71, 74, 87; Memorandum to File (December 27, 2011).

### **Procedural History in Docket No. A2012-56**

On November 4, 2011, the Commission received a petition for review ("Petition") appealing the Final Determination of the Postal Service to close the Rippey Post Office.<sup>12</sup> On November 21, 2011, the Postal Service filed the Administrative Record with the Commission in accordance with the Commission's Notice of Filing Under 39 U.S.C. 404(d) (November 21, 2011). On November 22, 2011, the Commission issued Order No. 990, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). The Commission received no notices of intervention. The Commission received a Participant Statement from the Petitioner on

---

<sup>12</sup> The Petition was postmarked October 25, 2011.

December 14, 2011. The Postal Service is today filing a corrected Administrative Record and a Memorandum to File.

### **Discussion**

Petitioner raises concerns regarding the impact of the closing on the postal services provided to the community served by the Rippey Post Office and the economic savings expected to result from closing the Post Office. Additionally, the adequacy of the process preceding the issuance of the FD has been challenged. The AR shows that the Postal Service gave these issues serious consideration prior to the issuance of the FD. Consistent with the Postal Service's statutory obligations<sup>13</sup> and Commission precedent, the Postal Service also gave consideration to other issues not raised by Petitioner, including the impact of the closing on postal employees and on the community served by the Rippey Post Office. For the reasons set forth below, the final determination to close the Rippey Post Office should be affirmed.

### **Effect on Postal Services**

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the AR, the Postal Service considered the effect of closing the Rippey Post Office on postal services provided to customers. The Rippey Post Office currently provides EAS-11 level service to 79 Post Office Box customers and 144 rural carrier delivery customers. FD at 2. The office has approximately seventeen (17) daily retail

---

<sup>13</sup> See 39 U.S.C. 404(d)(2)(A).

window transactions which account for nineteen (19) minutes of retail workload daily.  
Id. at 2.

The closing of the Rippey Post Office is premised upon continuing to provide regular and effective postal services to Rippey customers. Upon the implementation of the Final Determination, customers will be able to obtain stamps, money orders, and special services such as certified, registered, Express Mail, delivery confirmation, signature confirmation, and COD through the rural carrier. Proposal at 3-4, Concern Response Nos. 11, 15; FD at 3-4, Concern Response Nos. 11, 15. Petitioner alleges that it is “unrealistic” to expect customers “to wait by...cluster boxes for the rural carrier to arrive” especially during inclement weather. Petition at 1-2; Participant Statement at 1. The Postal Service advised, however that most retail services provided at the Postal Service do not require meeting the carrier at the mailbox. Petition at 4, Concern Response No. 15; FD at 4, Concern Response No. 15. Moreover, while inclement weather conditions are a factor in delivering mail to, and collecting mail from, CBUs, they are also a factor for Post Office Box customers who must traverse parking areas and sidewalks to obtain their mail. Contrary to Petitioner’s assertions, customer convenience may actually be enhanced upon implementation of the FD because the provision of rural carrier service will alleviate the need for customers to travel to the Post Office for retail services and will provide them with 24-hour access to their mail. Proposal at 12; FD at 11. Additionally, the Postal Service makes special provisions for hardship cases and special customer needs. Proposal at 2-5, Concern Response Nos. 3, 17; FD at 2-5, Concern Response Nos. 3, 17.

Petitioner questions the viability of medicines that are delivered to cluster boxes and that may be subject to extreme temperatures. Participant Statement at 1. The Postal Service provided guidance regarding the location of CBUs to guard against the freezing of CBU locks and advised customers that CBUs are used in all parts of the United States, including Alaska. Petition at 9, Concern No. 67. Customers concerned about the delivery of medicines to CBUs have the option of Post Office Box delivery at the Grand Junction Post Office. Additionally, customers can mitigate the risk to the integrity of medicines delivered by mail by using an accountable mail service which requires the signature of the addressee or addressee's agent upon receipt. Handbook PO-603, Rural Carrier Duties and Responsibilities (2008) § 25. Attempted delivery items will be taken back to the Post Office and customers may pick up the item at the Post Office or request redelivery online or by phone. FD at 11, Concern Response No. 81. Hold For Pickup is also a delivery option that allows eligible mailpieces to be held at a designated Post Office location for pick up by a specified addressee or designee. Domestic Mail Manual (DMM) § 508.7. The Postal Service is confident that it can successfully deliver mail containing medication via the existing and replacement services that will be provided to the community upon implementation of the Final Determination.

As demonstrated by the Administrative Record, the Postal Service considered the effect of closing the Rippey Post Office on postal services provided to customers served by that office. 39 U.S.C. § 404(d)(2)(A)(iii).



### Effect on the Rippey Community

The Postal Service is obligated to consider the effect of its decision to close the Rippey Post Office upon the Rippey community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, Title 39 U.S. Code and postal regulations recognize the substantial role in community affairs often played by local Post Offices and requires consideration of that role whenever the Postal Service proposes to discontinue a Post Office. The issue of the effect of the closing of the Rippey Post Office upon the Rippey community was considered by the Postal Service, as reflected in the AR. Item No. 16; Item No. 29 at 1; Proposal at 12; FD at 12-13. The regular and effective postal services required by communities generally will continue to be provided to the Rippey community. Proposal at 14; FD at 14. The Postal Service submits that it has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Rippey Post Office on the community served by that facility.

### Economic Savings

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv), the Postal Service considered economic factors when determining to close the Rippey Post Office. Proposal at 14; FD at 13. The estimated annual savings associated with discontinuing the Rippey Post Office and providing rural route replacement service are \$53,707.00. Item No. 47 at 13; see also Memorandum to File (December 27, 2011) (stating that the

Postal Service expects a total annual savings of \$34,507 through 2018 when the lease terminates and \$53,707 after that date and stating that additional savings may be realized by subleasing the property).

Petitioner asserts that annual lease costs could be negotiated to a lower amount. Petition at 2. The Memorandum to File demonstrates, however, that the Postal Service could realize economic savings even if the lease costs were reduced to zero because most of the expected savings is derived from the reduction in labor costs that would result from the elimination of one postmaster position. See Memorandum to File (showing that even if lease costs were omitted from the analysis, the Postal Service would save \$34,507 annually). Petitioner asserts that the postmaster's salary of \$44,000 could be reduced by keeping window service open for a shorter number of hours (e.g., for two hours only). Petition at 2; Participant Statement at 2. However, the Postal Service does not currently have the option to reduce the postmaster's salary in the manner suggested by Petitioner.<sup>14</sup>

Petitioner further asserts that there are other costs associated with closing the Post Office, including construction costs related to the instillation of the cluster boxes and increased travel costs that customers traveling to the Grand Junction Post Office would have to incur. Participant Statement at 1. With respect to the former, the AR shows that the one-time cost for CBU/parcel locker installation is \$3,690, thereby

---

<sup>14</sup> There is no basis for Petitioner's assertion that the postmaster's yearly salary could be reduced "by having the officer in charge move from Rippey to a neighboring Post Office." Petitioner's Statement at 2. The Postal Service notes that the economic savings calculation conducted as a part of a discontinuance study is forward-looking; that the Postal Service may have paid less in salary and benefits over the past years does not mean that it could count on those savings annually in the future. If the Rippey Post Office closes, one career slot will be eliminated. If the Post Office is not discontinued, that slot would have been filled with a career employee, and the salary and benefits to be paid would be as shown for a postmaster.

reducing the total annual savings reflected in the FD by that amount for the first year only. Item No. 29 at 2; Memorandum to File. With respect to the latter, the Postal Service is not required to consider the travel costs described by Petitioner because the pertinent statute requires that the “economic savings *to the Postal Service*” be factored in the savings calculation. 39 USC 404(d)(2)(A)(iv) (emphasis supplied).

Petitioner describes inefficiencies at a postal distribution center in Souix City Iowa and asserts that such inefficiencies have resulted in “wasteful spending.” Petition at 1. Petitioner suggests that if these inefficiencies were addressed, the money saved could be used to keep the “Ripsey Office open for perpetuity.” Petition at 1; Participant Statement at 1. Whether changes in the subject facility can increase the efficiency of that facility and thereby result in savings to the Postal Service is a question that is beyond the scope of the analysis the Postal Service is required to undertake when deciding whether a Post Office closing is warranted. In this case, the Postal Service has applied its standard financial analysis to determine whether the proposal to close the specific Post Office under review will result in economic savings to the Postal Service and has determined that it will. Therefore, the Postal Service has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

### Effect on Employees

As documented in the record, the impact of the closing on postal employees is minimal. The postmaster retired on September 3, 2003, and a temporary officer-in-charge (OIC) has been installed to operate the Rippey Post Office. The record shows that no other employee would be affected by this closing. Proposal at 14; FD at 14. Accordingly, the record demonstrates that the Postal Service considered the effect of the closing on the employees at the Rippey Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

### Procedural Concerns

Petitioner states that letters from Congress were not acknowledged in the Final Determination (posted on October 20, 2011). Petition at 1. Contrary to Petitioner's claim, the Postal Service considered the letters from Senators Harkin and Grassley and Congressman Latham that were sent to Petitioner. Item 28, Congressional Inquiry and Postal Service Response Letter; Proposal at 2; FD at 2. Additionally, the Postal Service responded to a letter from Senator Grassley concerning Petitioner's concerns regarding the proposed closure of the Rippey Post Office. Item 28 at 11-12. Moreover, Petitioner has not pointed to any specific issue or concern raised in these communications that was not addressed by the Postal Service during the community meeting, in responses to customer questionnaires, or in the Proposal or Final Determination. The record

shows that the Postal Service adequately considered the communications between the Petitioner and members of Congress.

Petitioner alleges that Postal Service did not intend to consider the views of the community and that the Postal Service's decision was predetermined.<sup>15</sup> Petition at 1. Petitioner specifically asserts that the Postal Service "had no intention of responding to the 175 signatures or really listen to the 59 customers who attended the public hearing on May 25." Petition at 1; Participant Statement at 1. The Administrative Record does not support the Petitioner's view. If the Postal Service is to discontinue an office, it is obliged to develop a plan by which replacement services will be provided; it must also share that plan with customers and get their feedback about it. That feedback can and does impact what the Postal Service eventually chooses to do. In this case, the Community Meeting Analysis (Item No. 25), the Proposal and Final Determination show that the Postal Service took seriously the concerns of the Rippey community and provided extensive written and oral feedback to the community. In so doing, the Postal Service addressed the concerns expressed in the paragraphs shown on the pages containing the signatures of community members opposed to the closure of the Post Office (Item No. 27 at 8-25), which included concerns regarding (1) the purchases of stamps, certified mail, package services, and money orders, (2) community growth, and (3) the Postal Service's decision not to replace the deceased postmaster with a new

---

<sup>15</sup> Petitioner asserts that absence of a phone number for the Rippey Post Office in a phone book released in October, 2011, demonstrates that the Postal Service's decision was predetermined. Petitioner has not provided the Postal Service with any supporting documentation that would enable the Postal Service to independently evaluate, and possibly challenge, the facts asserted by the Petitioner. As noted above, the record establishes that the Postal Service complied with all relevant postal policies prior to the issuance of the Final Determination.

postmaster thereby making the Rippey Post Office a candidate for closure.<sup>16</sup> The Postal Service answered a multitude of questions from the community on a wide range of subjects related to the Proposal. See Items 22, 23, and 25. The Postal Service is confident that customers of the Rippey Post Office were afforded an adequate opportunity to express their concerns and have those concerns taken into account by the Postal Service prior to the issuance of the Final Determination. Moreover, the Final Determination was signed by an official at Postal Service Headquarters, who did not participate directly in the feasibility study at the local level, but rather performed an independent review of the record. It is important to note that not all discontinuance actions advance to the final determination stage.

### **Conclusion**

As reflected throughout the AR, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Rippey Post Office on the provision of postal services and on the Rippey community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. Additionally, the Postal

---

<sup>16</sup> Under regulations in Handbook PO-101 in effect at the time the discontinuance was commenced, it was common to initiate a study when the postmaster position became vacant. See former Handbook PO-101 § 213. The Postal Service further notes that changes made to Handbook PO-101 effective July 14, 2011, promote consistency of decision-making by allowing for the identification of candidate facilities for study based on factors such as workload, customer demand, and availability of alternatives.

Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to customers served by the Rippey Post Office. The Postal Service respectfully submits that this conclusion is consistent with and supported by the Administrative Record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). Accordingly, the Postal Service respectfully requests that the Final Determination to close the Rippey Post Office be affirmed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno, Chief Counsel  
Global Business & Service Development

Matthew J. Connolly, Attorney

475 L'Enfant Plaza, S.W.  
Washington, D.C. 20260-1137  
(202) 268-8582; Fax -5418  
matthew.j.connolly@usps.gov  
December 29, 2011